

AUDITOR/CONTROLLER-RECORDER

Larry Walker

MISSION STATEMENT

The San Bernardino County Auditor/Controller-Recorder's (ACR) Office is committed to serving our customers by processing, safeguarding, and providing information regarding the finances and public records of the County. We perform these functions with integrity, independent judgment, and outstanding service. We are accurate, timely, courteous, innovative, and efficient because of our well-trained and accountable staff.

We are committed to:

Our Taxpayers

.... spending taxpayer dollars wisely. To this end, we are dedicated to providing our services in a cost effective, efficient manner by taking advantage of innovation and new technology. We will promote sound financial management throughout County government and will perform budgetary control as required by law.

Our Customers

.... providing a high level of quality services to our customers. We will be sensitive and responsive to our customers' needs and expectations. We will be accurate, thorough and timely in the performance of our duties and will treat our customers in a professional manner with courtesy and respect.

Our Employees

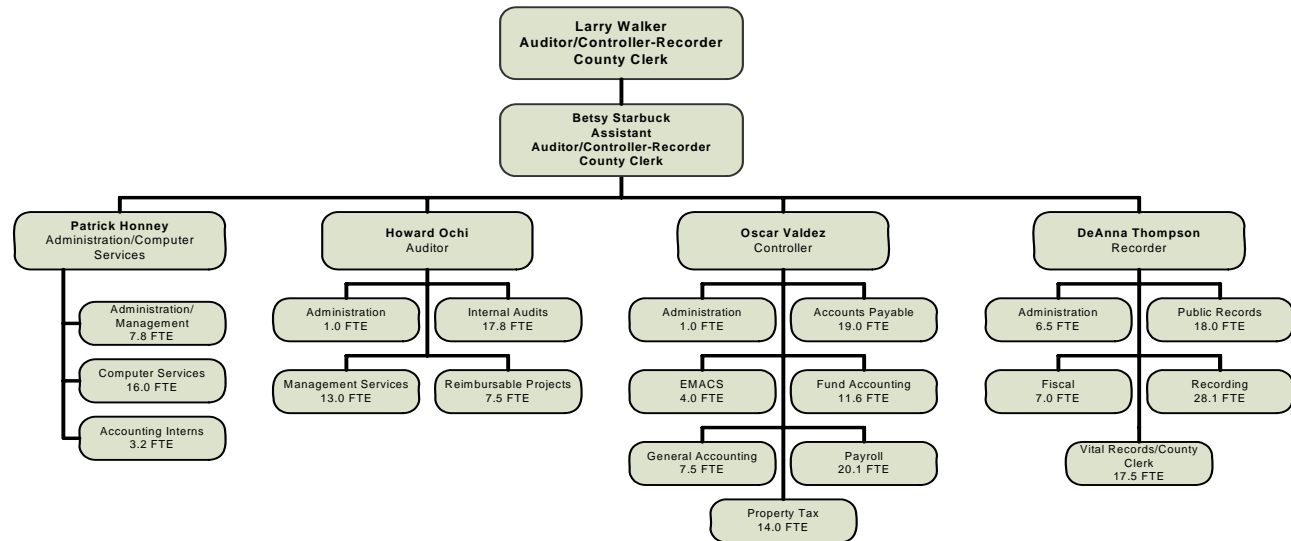
.... providing our employees with a safe, comfortable working environment in an atmosphere of mutual respect, cooperation and non-discrimination. We will hire and train competent, knowledgeable individuals with backgrounds that will complement and enhance the abilities of our workforce and we will provide opportunities for continued professional growth and advancement. We recognize, value, and support the efforts and ideas of our employees and will provide the information and resources necessary to accomplish the goals of this organization.

STRATEGIC GOALS

1. Improve the Financial Accounting System (FAS)
2. Improve Recorder Division's Digitized Images
3. Enhance Accounts Payable Process
4. Improve the Disaster Recovery Process



ORGANIZATIONAL CHART



SUMMARY OF BUDGET UNITS

	2006-07				
	Appropriation	Revenue	Local Cost	Fund Balance	Staffing
Auditor/Controller-Recorder	18,105,671	5,543,522	12,562,149		209.6
Micrographics	-	-		-	-
Systems Development	21,312,695	6,500,000		14,812,695	17.0
Vital Records	294,074	142,000		152,074	-
Records Management	-	-		-	-
TOTAL	39,712,440	12,185,522	12,562,149	14,964,769	226.6

Detailed information for each budget unit is provided, along with a description of the services provided, budget unit history, applicable performance measures and fee requests.



Auditor/Controller-Recorder

DESCRIPTION OF MAJOR SERVICES

The Office of the Auditor/Controller-Recorder and County Clerk is responsible for providing the county and its constituents with a variety of accounting services and document recording and management services. The Auditor and Controller Divisions record the collections and perform the accounting, reporting, disbursement, and audits of all county financial activities to ensure sound financial management. In addition, they are responsible for personnel payroll services, developing and implementing accounting systems and standards, conducting operational risk assessment reviews, and administering the Countywide Cost Allocation Plan.

The Recorder Division accepts all documents for recording that comply with applicable recording laws, producing and maintaining official records evidencing ownership and encumbrances of real and personal property and other miscellaneous records. The Recorder Division is also responsible for County Archives and County Clerk functions. County Archives maintains all the historical records for the county. The office of the County Clerk produces and maintains the official records of vital statistics, fictitious business names, and other entities required by the state to register with the County Clerk.

The specific services performed by each division are listed below.

Auditor Division

- Perform financial and internal audits and risk assessment reviews
- Advise departments on conducting operational risk assessment
- Prepare the Countywide Cost Allocation Plan (COWCAP) and the Indirect Cost Rate Proposal (ICRP)
- Implement new accounting systems
- Perform disaster response accounting
- Assist departments with reimbursement claims through state and federal processes
- Provide consultation services to departments to integrate accounting and financial processes such as the use of credit cards and departmental accounting software
- Prepare Internal Service Fund (ISF) financial statements

Controller Division

- Process payroll for county (EMACS partner)
- Perform contract payroll for outside governmental agencies
- Manage the Financial Accounting System (FAS) and maintain official county records through FAS
- Audit vendor payments and perform the accounts payable processes
- Manage county credit cards
- Control budget expenditures to Board-approved appropriation levels
- Maintain the county's chart of accounts
- Prepare the Comprehensive Annual Financial Report (CAFR) according to Governmental Accounting Standards Board (GASB) standards
- Extend property tax roll and apportion property tax revenue
- Prepare assurance type reports for county and outside agencies

Recorder Division

- Upon payment of proper fees and taxes, the recorder:
 - Records land records related to real and personal property ownership, judgments, liens, notices, military discharges, marriage licenses, and other miscellaneous documents
 - Files maps or documents such as tract maps, subdivision maps, parcel maps, and certificates of correction
- Collects and distributes portions of monies to various agencies, such as D.A. Real Estate Fraud fund, Preliminary Change of Ownership Reports to Assessor, and Documentary Transfer Tax to the county and cities
- Images, maintains and provides documents digitally and in a photographically reproducible format (microfilm)
- Creates, maintains and provides an index of document information, including Grantor/Grantee, when recorded mail to, Assessor's parcel number, and the short legal description
- Certifies and testifies to validity of documents on file



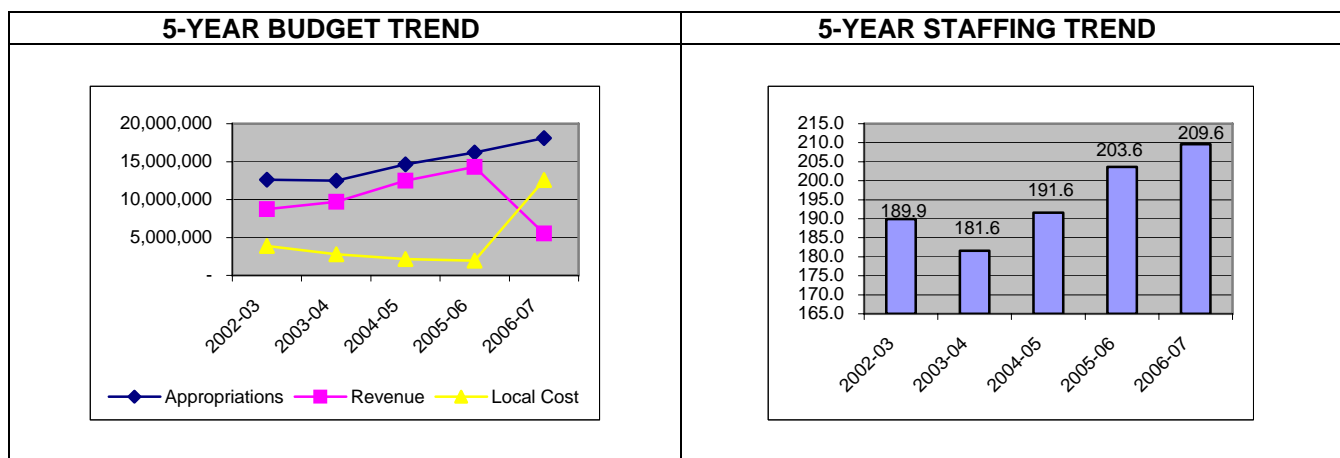
County Clerk Section

- Review, issue and file Fictitious Business Names (FBN) to individuals, partnerships, and corporations
- Review applications, review background checks with the State Department of Justice, and issue identification cards for unlawful detainer processor, legal photocopier, process server, notary public and power of attorney
- Maintain, report, and make available to the public Oaths of Office and Conflict of Interest reports for specified individuals
- Issue marriage licenses
- Issue certified and informational copies of birth, death, and marriage certificates
- Perform civil marriage ceremonies
- Deputize commissioners of civil marriages, deputy county clerks, deputy recorders, and notary publics
- Image, maintain, and provide documents digitally and in a photographically reproducible format (microfilm)

Archives Section

- Restore, preserve, and manage historic records (archives) as it relates to the history of county government

BUDGET HISTORY



The significant increase in local cost and decrease in revenue in 2006-07 is a result of the County's concern for stabilizing the department's financing. Recording revenue has been placed in Countywide discretionary revenue and in lieu of this revenue source, additional general fund financing has been provided. The restructuring of this revenue was board approved on November 1, 2005.

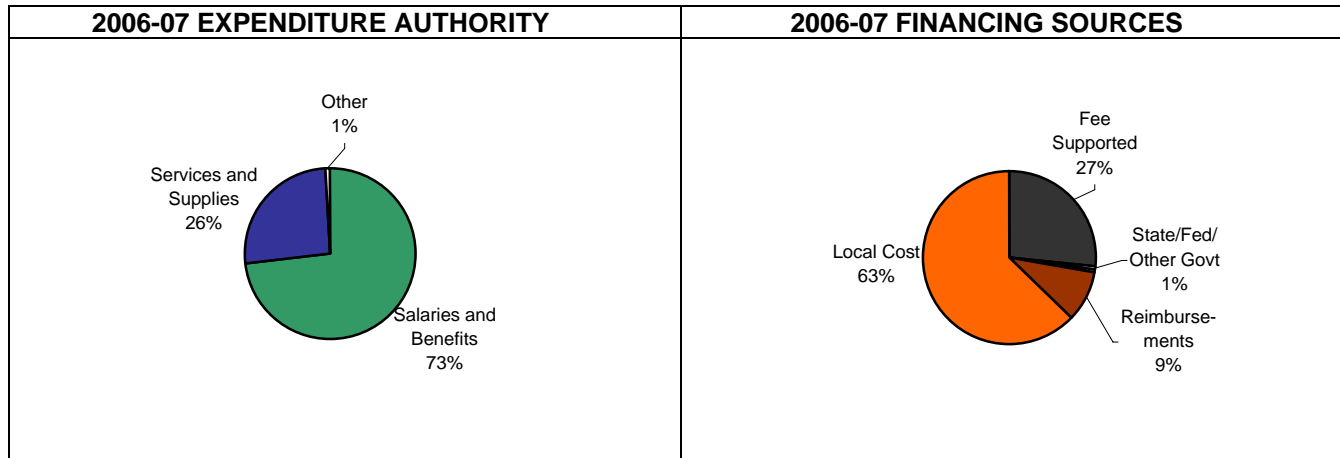
PERFORMANCE HISTORY

	Actual 2002-03	Actual 2003-04	Actual 2004-05	Modified 2005-06 Budget	2005-06 Estimate
Appropriation	11,894,771	11,954,500	19,968,967	16,625,805	15,997,297
Departmental Revenue	12,560,881	14,705,766	15,184,728	4,638,328	5,372,439
Local Cost	(666,110)	(2,751,266)	4,784,239	11,987,477	10,624,858
Budgeted Staffing				203.6	

Estimated appropriations for 2005-06 are less than the modified budget primarily due to difficulty in filling specialized vacant positions. Departmental revenue exceeds the modified budget primarily due to increased activity in Vital Records and the County Clerk section. Local cost reflects a significant increase over 2004-05 due to replacing recording revenue with local cost.



ANALYSIS OF PROPOSED BUDGET



GROUP: Fiscal
DEPARTMENT: Auditor/Controller-Recorder
FUND: General

BUDGET UNIT: AAA ACR
FUNCTION: General
ACTIVITY: Finance

	2002-03 Actual	2003-04 Actual	2004-05 Actual	2005-06 Estimate	2005-06 Final Budget	2006-07 Proposed Budget	Change From 2005-06 Final Budget
Appropriation							
Salaries and Benefits	9,088,728	9,612,515	10,707,547	12,942,024	12,990,684	14,582,136	1,591,452
Services and Supplies	1,594,559	2,019,691	3,667,274	3,279,216	3,724,654	4,342,973	618,319
Central Computer	736,734	872,222	1,159,570	1,106,542	1,061,083	921,399	(139,684)
L/P Struct/Equip/Vehicles	-	-	4,531,810	-	-	-	-
Transfers	750	88,454	34,618	38,706	38,706	139,955	101,249
Total Exp Authority	11,420,771	12,592,882	20,100,819	17,366,488	17,815,127	19,986,463	2,171,336
Reimbursements	-	(798,382)	(1,010,208)	(1,604,481)	(1,604,481)	(1,880,792)	(276,311)
Total Appropriation	11,420,771	11,794,500	19,090,611	15,762,007	16,210,646	18,105,671	1,895,025
Operating Transfers Out	474,000	160,000	878,356	235,290	-	-	-
Total Requirements	11,894,771	11,954,500	19,968,967	15,997,297	16,210,646	18,105,671	1,895,025
Departmental Revenue							
Taxes	-	186	-	-	-	-	-
Licenses and Permits	410,715	412,714	561,419	475,000	490,200	480,000	(10,200)
State, Fed or Gov't Aid	4,926	80,038	91,166	138,830	89,983	125,722	35,739
Current Services	11,601,766	14,106,149	14,409,803	4,667,789	13,627,145	4,842,800	(8,784,345)
Other Revenue	72,976	106,679	122,340	90,820	76,000	95,000	19,000
Total Revenue	12,090,383	14,705,766	15,184,728	5,372,439	14,283,328	5,543,522	(8,739,806)
Operating Transfers In	470,498	-	-	-	-	-	-
Total Financing Sources	12,560,881	14,705,766	15,184,728	5,372,439	14,283,328	5,543,522	(8,739,806)
Local Cost	(666,110)	(2,751,266)	4,784,239	10,624,858	1,927,318	12,562,149	10,634,831
Budgeted Staffing					203.6	209.6	6.0

In 2005-06, the department installed the Symposium Telephone Management System. In an effort to improve customer service, the next step will be to implement a call center to assure the best possible response to calls received by the system. The department has included in the 2006-07 budget the cost of \$245,000 to fund the call center to respond to this need.

In 2006-07, the department will incur increased costs in salaries and benefits of \$1,591,452 due to approved MOU, retirement, risk management and workers' compensation. Budgeted staffing was also adjusted to reflect the addition of 8.0 positions costing \$574,594 to support the goals in the Business Plan, which includes improving the Financial Accounting System; monitoring user satisfaction surveys and providing additional training as needed. The department has identified additional on-going revenue to support the 8.0 additional positions. The additional positions include 1.0 Accountant I, 1.0 Accountant II, 1.0 Systems Accountant II, 1.0 Systems Accountant III, 1.0 Accounting Technician, 1.0 Supervising Accountant III, 1.0 Fiscal Assistant, and 1.0 Office Assistant II. These added positions are offset by the deletion of 1.0 Human Resources Officer position.



which was transferred to the Human Resources Department and the deletion of 1.0 Records Management Supervisor. The overall budgeting staffing reflects a net increase of 6.0 positions.

Services and supplies are increasing by \$618,319 primarily due to the projected operation of the call center and the corresponding services and supplies cost for the 8.0 additional positions, inflationary services and supplies purchases. The increased cost of \$101,249 in transfers are due to EH&P, employee benefits and the transfer of funds to the Human Resource Department for the reimbursement of the Human Resources Officer II position.

Reimbursements increased by \$276,311 due to the cost of services that support Systems Development and modernization activities such as step increases and estimated inflation costs for services and supplies.

Due to the unpredictable nature of recording fee revenue and the County Administrative Office's concern for stabilization of departmental financing, the recording fee revenue of \$9,645,000 has been placed in Countywide discretionary revenue and in lieu of this revenue source, additional general fund financing has been provided. In addition, departmental revenue increased by \$894,994 due to underestimating fee revenues in the Vital Records and County Clerk section. A decrease in other revenue of \$10,200 is due to a decrease in License fees, which reflect fewer marriage licenses being issued.

PERFORMANCE MEASURES		
Description of Performance Measure	Estimated 2005-06	Proposed 2006-07
Percentage of payments processed within ten days of presentation to ACR.	80%	90%
Percentage of film images that are repaired by June 30, 2007.		80%
Track number of microfilm cassettes that are inventories within one month of receipt by June 30, 2007.		100%
Convert percentage of microfilmed images from 1980 to present to a digitized format by June 30, 2007.		80%
Increase overall Cal-Card use.		10%
Increase Electronic fund transfers to pay vendors.		10%

The performance measures for this budget unit demonstrate an emphasis on excellent customer service and the use of technology to achieve it. The department will improve customer service in Accounts Payable by paying more vendors electronically, transferring assigned Visa cards to Cal-Card, increasing the number of departments utilizing Cal-Card, and processing payments more quickly.

The Recorder's division will focus on improving customer service through microfilm repair, cataloging the microfilm, and then digitizing the improved images for better, long-lasting use.

FEE REQUEST SUMMARY				
Brief Description of Fee Request	Budgeted Staffing	Appropriation	Departmental Revenue	Local Cost
Accounting Fees	-	44,890	44,890	-
This uniform rate is based upon cost accounting from the 2005-06 COWCAP.				
Notary Public Filing	-	26,400	26,400	-
To recover actual direct and indirect costs. Increased costs due to mandated additional activities.				
Total	-	71,290	71,290	-

